

**UNITED STATES BANKRUPTCY COURT FOR THE
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

IN RE:

ALWIN GERALD MORGAN

§
§
§
§
§

Bankruptcy Case 19-30004

**DEBTOR'S SECOND AMENDED PLAN OF
REORGANIZATION**

ARTICLE I

SUMMARY

This Plan of Reorganization (the “Plan”) under chapter 11 of the Bankruptcy Code (the “Code”) proposes to pay creditors of ALWIN GERALD MORGAN (the “Debtor”) from the sales proceeds from the sale of the Austin property, the sales proceeds from the sale of the Bellville property, and future income. This Plan provides for classes of secured creditors, priority creditors, and unsecured creditors. This Plan also provides for the payment of administrative claims. All creditors should refer to the provisions of this Plan for information regarding the precise treatment of their claim. A disclosure statement that provides more detailed information regarding this Plan and the rights of creditors and equity security holders has been circulated with this Plan. **Your rights may be affected. You should read these papers carefully and discuss them with your attorney, if you have one. If you do not have an attorney, you may wish to consult one.**

ARTICLE II

CLASSIFICATION OF CLAIMS AND INTERESTS

1. *Administrative Expenses*

Administrative expenses are costs or expenses of administering the Debtor’s chapter 11 case which are allowed under § 507(a)(2) of the Code. Administrative expenses also include the value of any goods sold to the Debtor in the ordinary course of business and received within 20 days before the date of the bankruptcy petition. The Code requires that all administrative expenses be paid on the effective date of the Plan unless a particular claimant agrees to a different treatment. The following sets out the Debtor’s estimated administrative expenses, and their proposed treatment under the Plan:

Margaret M. McClure – Ms. McClure holds a retainer balance in the amount of \$18,578.00 and estimates fees and expenses in the amount of \$110,000. She will file a fee application once the plan is confirmed and will be paid as an administrative creditor in full on the effective date of the plan from the sale of the Austin property, the Bellville property and future income, if necessary.

Byron Keeling – The court has approved Mr. Keeling's fee application in the amount of \$79,639.12 and he will be paid as an administrative creditor in full on the effective date of the plan from the sale of the Austin property, the Bellville property and future income, if necessary.

Liza Greene – Ms. Greene of the Laura Dale & Associates, P.C. has filed a fee application and is owed \$7,434.63. She will be paid as an administrative creditor in full on the effective date of the plan from the sale of the Austin property, the Bellville property and future income, if necessary

U.S. Trustee – fees are current and will stay current until this case is closed.

Internal Revenue Service – The IRS has filed an administrative claim and is owed \$30,070.28 for 2019 income taxes and will be paid as an administrative creditor in full on the effective date of the plan from the sale of the Austin property, the Bellville property and future income, if necessary.

2. *Priority Unsecured Tax Claims*

Class 2(a) – Priority Unsecured Tax Claims

Comptroller of Public Accounts – This creditor is owed \$22,676.79 as a priority unsecured tax claim. This creditor will be paid in full as a priority unsecured tax creditor from the sale of the Austin property, the Bellville property and future income, if necessary. The monthly payment for the shortage will be approximately \$600.00 and the first monthly payment will be due and owing on May 15, 2022.

In the event that the sale of the Austin and Bellville residences do not generate sufficient proceeds to pay the priority claim of the Texas Comptroller of Public Accounts (the “Comptroller”) in full on or before the Effective Date of the Plan, the Debtor shall pay the remainder of the Comptroller's priority claim either in equal monthly installments commencing on May 15, 2022 over a period ending not later than sixty (60) months from the petition date or as otherwise agreed to by the Comptroller. The Comptroller's priority tax claim shall accrue interest at 4.25% per annum from the Effective Date until paid in full.

Notwithstanding anything to the contrary in this Plan or the Confirmation Order, as to the Texas Comptroller of Public Accounts and the Texas Workforce Commission (collectively the “State of Texas”), nothing in this Plan or the Confirmation Order shall: (1) affect or impair any setoff or recoupment rights of the State of Texas under applicable bankruptcy and nonbankruptcy law and all such rights are preserved; (2) affect or impair any rights of the State of Texas to pursue any non-debtor third parties for tax debts or claims; (3) modify, to the extent that interest is payable as to any claim of the State of Texas, the statutory interest rate under applicable nonbankruptcy law; and (4) be construed as a compromise or settlement of any liability, claim, cause of action suit, right, or interest of the State of Texas.

Notwithstanding anything to the contrary in this Plan or the Confirmation Order, as to the Texas Comptroller of Public Accounts, nothing in this Plan or the Confirmation Order shall effectuate a discharge of gap interest that accrues on nondischargeable debts from the petition date to the effective date.

Internal Revenue Service – This creditor is owed \$398,128.01 on a priority unsecured tax claim. This creditor will be paid in full as a priority creditor from the sale of the Austin property, the Bellville property and future income, if necessary. The monthly payment for the shortage will be approximately **\$4,000.00** and the first monthly payment will be due and owing on May 15, 2022.

Class 2(a) is impaired

Class 2(b) – Priority Unsecured Tax Claims Convenience Class

Texas Workforce Commission – This creditor is owed \$753.32 on a priority tax claim. This creditor will be paid in full on the Effective Date of the Plan from the sale of the Austin property, the Bellville property and future income, if necessary.

Class 2(b) is impaired

3. *Secured Claims*

Allowed Secured Claims are claims secured by property of the Debtor's bankruptcy estate (or that are subject to set-off) to the extent allowed as secured claims under § 506 of the Code. If the value of the collateral or setoffs securing the creditor's claim is less than the amount of the creditor's allowed claim the deficiency will be classified as a general unsecured claim. The following shows all classes containing Debtor's secured pre-petition claims and their proposed treatment under the Plan:

Class 3(a) – Austin Property Mortgage

Rama NPL I, LLC - This creditor's total payoff claim including principal, interest and expenses is \$2,864,883.18 for the mortgage on the Austin property. On January 26, 2022, this creditor was paid \$2,716,821.66 from the Registry of the Court. It filed a motion on January 28, 2022 asking that its expenses in the approximate amount of \$162,339.18 be approved by the Court.

Class 3(a) is impaired

Class 3(b) – Motor Vehicle Loan

Hillcrest Bank, a division of NBH Bank - This creditor is owed a secured claim in the amount of \$30,882.51 as of the petition date for the purchase of a 2015 BMW. The Debtor will continue making payments on this debt pursuant to the contract terms, and within a reasonable period of time, Hillcrest Bank will transfer clear title to the Debtor when the debt is paid in full.

Class 3(b) is not impaired

Class 3(c) – Homeowners Association

Section I Monticello Homeowners Association, Inc. and its Manager, Goodwin & Company

These creditors are owed secured claims related to the Austin property. The homeowners' association is owed \$7,790.00 and its manager is owed \$275.00. They both will be paid from the sale of the Austin property, the Bellville property or from future income, if necessary.

Class 4 – General Unsecured Creditors

General unsecured claims are not secured by property of the estate and are not entitled to priority under § 507(a) of the Code.

There are approximately \$3,000,000.00 in what the Debtor believes are or should be general unsecured claims. The allowed general unsecured creditors will be paid their pro rata share of \$3,333.00 each month for sixty (60) months, with the first payment due and payable on June 15, 2022.

Class 4 is impaired

ARTICLE III

ALLOWANCE AND DISALLOWANCE OF CLAIMS

Disputed Claim. A disputed claim is a claim that has not been allowed or disallowed by a final non-appealable order, and as to which either: (i) a proof of claim has been filed or deemed filed, and the Debtor or another party in interest has filed an objection; or (ii) no proof of claim has been filed, and the Debtor has scheduled such claim as disputed, contingent, or unliquidated.

Delay of Distribution on a Disputed Claim. No distribution will be made on account of a disputed claim unless such claim is allowed by a final non-appealable order.

Settlement of Disputed Claims. The Debtor will have the power and authority to settle and compromise a disputed claim with court approval and compliance with Rule 9019 of the Federal Rules of Bankruptcy Procedure.

Claim Objections. The Debtor shall have 60 days from the Effective Date of the Plan to file objections to claims.

Vesting of Property On the Effective Date, title to all assets and properties dealt with by the Plan shall vest in Reorganized Debtor, free and clear of all claims and interests other than any contractual secured claims granted under any lending agreement, on the condition that Reorganized Debtor complies with the terms of the Plan, including the making of all payments to creditors provided for in such Plan. If Reorganized Debtor defaults in performing under the provisions of this Plan and this case is converted to a case under chapter 7, all property vested in Reorganized Debtor and all subsequently acquired property owned as of or after the conversion date shall re-vest and constitute property of the bankruptcy estate in the converted case.

Default – Any creditor remedies allowed by 11 U.S.C. § 1112(b)(4)(N) shall be preserved to the extent otherwise available at law. In addition to any rights specifically provided to a claimant treated pursuant to this Plan, a failure by the Reorganized Debtor to make a payment to a creditor pursuant to the terms of this Plan shall be an event of default as to such payments if the payment is not cured within thirty (30) days after a creditor mails a written notice of default of the debt owed to it to the Reorganized Debtor. The creditor must mail the 30-day notice to cure to the last known address of the Reorganized Debtor. The Reorganized Debtor will inform each creditor of any new address for mailing notices. If the Reorganized Debtor does not cure the delinquency within the 30-day cure period, then and only then will the creditor be allowed to exercise any and all rights and remedies under applicable non-bankruptcy law to collect such claims or seek such relief as may be appropriate in the United States Bankruptcy Court.

ARTICLE IV

PROVISIONS FOR EXECUTORY CONTRACTS AND UNEXPIRED LEASES

Assumed Executory Contracts and Unexpired Leases.

The Debtor assumes the following executory contracts and/or unexpired leases effective upon the “effective date of this Plan.” The contract on the 2015 BMW. The Debtor will be conclusively deemed to have rejected all executory contracts and/or unexpired leases not expressly assumed above, or before the date of the order confirming this Plan, upon the “effective date of this Plan.” A proof of a claim arising from the rejection of an executory contract or unexpired lease under this section must be filed no later than sixty (60) days after the date of the order confirming this Plan.

ARTICLE V

MEANS FOR IMPLEMENTATION OF THE PLAN

This Plan of Reorganization will be funded by the Reorganized Debtor from the sales proceeds from the Austin and Bellville properties and future income.

ARTICLE VI

GENERAL PROVISIONS

Definitions and Rules of Construction. The definitions and rules of construction set forth in §§ 101 and 102 of the Code shall apply when terms defined or construed in the Code are used in this Plan.

Effective Date of Plan. The effective date of this Plan will be seven (7) days after confirmation of this or a subsequent amended plan of reorganization. But if a stay of the confirmation order is in effect on that date, the effective date will be the first business day after that date on which no stay of the confirmation order is in effect, provided that the confirmation order has not been vacated.

Severability. If any provision in this Plan is determined to be unenforceable, the determination will in no way limit or affect the enforceability and operative effect of any other provision of this Plan.

Binding Effect. The rights and obligations of any entity named or referred to in this Plan will be binding upon, and will inure to the benefit of the successors or assigns of such entity.

Captions. The headings contained in this Plan are for convenience of reference only and do not affect the meaning or interpretation of this Plan.

Controlling Effect. Unless a rule of law or procedure is supplied by federal law (including the Code or the Federal Rules of Bankruptcy Procedure), the laws of the State of Texas govern this Plan and any agreements, documents, and instruments executed in connection with this Plan, except as otherwise provided in this Plan.

Disputed Claims. All claims that were listed in the schedules as “disputed” required the filing of a proof of claim. If no proof of claim was timely filed, the claimant will not be paid under this Plan of Reorganization.

Late-Filed Claims. Any late-filed claims shall not be allowed claims, and shall not be paid under this Plan of Reorganization.

ARTICLE VII

DISCHARGE

Unless the court orders otherwise for cause, confirmation of the Plan does not discharge any debt of Mr. Morgan provided for in the plan until the court grants a discharge on completion of all payments of the plan. At any time after the confirmation of the Plan, and after notice and hearing, the court may grant a discharge to a Debtor who has not completed payments under the Plan if (1) the value, as of the Effective Date of the Plan, of property actually distributed under the Plan on account of each allowed unsecured claim is not less than the amount that would have been paid on such claim if the estate of the Debtor had been liquidated under Chapter 7 on such date; and (ii) modification of the plan under Section 1127 is not practicable; and unless the court finds that there is no reasonable cause to believe that (i) section 522(q)(1) may be applicable to the Debtor; and (ii) there is pending any proceeding in which the Debtor may be found guilty of a felony of the kind described in section 522(q)(1)(A) or liable for a debt of the kind described in section 522(q)(1)(B).

Dated January 29, 2022

/s/ Margaret M. McClure

Margaret M. McClure, Attorneys for Debtor

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was served electronically or by U.S. mail on all parties in interest on the attached matrix on the 29th day of January, 2022.

/s/ Margaret M. McClure

Margaret M. McClure

Label Matrix for local noticing
0541-4
Case 19-30004
Southern District of Texas
Houston
Tue Jan 18 11:23:39 CST 2022

(p)ATLAS ACQUISITIONS LCC
492C CEDAR LANE SUITE 442
TEANECK NJ 07666-1713

Texas Comptroller of Public Accounts
Jason Starks
c/o Sherri K. Simpson, Paralegal
P.O. Box 12548
Austin, TX 78711-2548

JPMorgan Chase Bank, National Association
c/o BDFTE, LLP
4004 Belt Line Rd Ste. 100
Addison, TX 75001-4320

RAMA NPL1, LLC
c/o Law Offices of Damian G. Waldman PA
P O Box 5162
Largo, FL 33779-5162

Texas Comptroller of Public Accounts
Jason Starks
c/o Sherri K. Simpson, Paralegal
P.O. Box 12548
Austin, TX 78711-2548

Texas Comptroller of Public Accounts, Revenue
Christopher J. Dylla
PO Box 12548
Austin, TX 78711-2548

The Rama Fund, LLC
c/o Law Offices of Damian G Waldman PA
P O Box 5162
Largo, FL 33779-5162

4
United States Bankruptcy Court
PO Box 61010
Houston, TX 77208-1010

1st Global Capital
1250 E. Hallandale Beach Blvd., #40
Hallandale Beach, FL 33009-4634

1st Global Capital
1250 E. Hallandale Beach Blvd., #60
Hallandale, FL 33009-4634

A+ Federal Credit Union
PO Box 14867
Austin, TX 78761-4867

Alwin Gerald Morgan
426 Warner Road
Bellville, TX 77418-3970

American Express
P.O. Box 650448
Dallas, TX 75265-0448

American Express (Leslie Sun)
1 Chisholm Trail
Round Rock, TX 78681-5008

American Express National Bank
c/o Becket and Lee LLP
PO Box 3001
Malvern PA 19355-0701

American Express National Bank, AENB
c/o Zwicker and Associates, P.C.
Attorneys/Agents for Creditor
P.O. 9043
Andover, MA 01810-0943

Aplus FCU
6420 East US 290 Service Road
Austin, TX 78723

Arhaus
P.O. Box 659704
San Antonio, TX 78265-9704

Assigned Credit Solutions
ACS
P.O. Box 22
Beverly NJ 08010-0022

BEN BRIDGE JEWELERS
C/O Merchants Credit Solutions
PO Box 3664
Tustin, CA 92781-3664

Barclays Bank
P.O. Box 60517
City of Industry, CA 91716-0517

Barclays Bank
P.O. Box 8801
Wilmington, DE 19899-8801

Barclays Bank
c/o Portfolio Recovery Associates
P.O. Box 12914
Norfolk, VA 23541-0914

Bellville St. Joseph Health Center
P.O. Box 977
Bellville, TX 77418-0977

Ben Bridge
P.O. Box 1908
Seattle, WA 98111-1908

CTH Partners, LLLP (H. Barcus)
1211 19th Street
Hunsville, TX 77340-5171

CTH Partners, LLP
790 W. Sam Houston Pkwy North
Houston, TX 77024-4546

Capital One
P.O. Box 60599
City of Industry, CA 91716-0599

Capital One
c/o Rausch Sturm
15660 North Dallas Pkwy., Suite 350
Dallas, TX 75248-3344

(p)JPMORGAN CHASE BANK N A
BANKRUPTCY MAIL INTAKE TEAM
700 KANSAS LANE FLOOR 01
MONROE LA 71203-4774

Chase Bank
c/o Nationwide Credit, Inc.
P.O. Box 14581
Des Moines, IA 50306-3581

(p)CITIBANK
PO BOX 790034
ST LOUIS MO 63179-0034

Citi Bank
c/o Rausch Sturm
15660 North Dallas Pkwy., Suite 350
Dallas, TX 75248-3344

Comptroller of Public Accounts
C/O Office of the Attorney General
Bankruptcy - Collections Division MC-008
PO Box 12548
Austin TX 78711-2548

Cook Legal Group
790 W. Sam Houston Pkwy North
Houston, TX 77024-4546

Cook Legal Group, LLLP (H. Barcus)
1211 19th Street
Huntsville, TX 77340-5171

Cook Legal Group, LLP
1211 19th Street
Huntsville, Texas 77340-5171

Discover
P.O. Box 790213
St. Louis, MO 63179-0213

Discover Bank
Discover Products Inc
PO Box 3025
New Albany OH 43054-3025

Everest Bus. Funding/Atlas Acquisitions,
2001 NW 107th Avenue, Suite 300
Miami, FL 33172-2514

Everest Bus. Funding/Atlas Acquisitions,
294 Union Street
Hackensack, NJ 07601-4303

Hillcrest Bank
12117 Bee Caves Road, # 100
Austin, TX 78738-5407

Hillcrest Bank, a division of NBH Bank
c/o Deborah Deitsch-Perez
Stinson Leonard Street LLP
3102 Oak Lawn Avenue Ste 777
Dallas TX 75219-4259

Internal Revenue Service
P.O. Box 7346
Philadelphia, PA 19101-7346

(p)INTERNAL REVENUE SERVICE
CENTRALIZED INSOLVENCY OPERATIONS
PO BOX 7346
PHILADELPHIA PA 19101-7346

Internal Revenue Service
c/o U.S. Attorney
1000 Louisiana Street, Suite 2300
Houston, TX 77002-5010

Keyla B. Turro
c/o Sprouse Law Firm
901 Mopac Expressway So, Bldg 1, Ste 300
Austin, TX 78746-5776

Kimberly Morgan
2148 Hillview Road
Bellville, TX 77418-4382

On Deck Capital, Inc.
101 West Colfax Ave., 10th Floor
Denver, CO 80202-5167

OnDeck Capital, Inc.
901 North Stuart Street, Suite 700
Arlington, VA 22203-4129

OnDeck Capital, Inc.
c/o Federated Law Group PLLC
837 Donald Ross Road
Juno Beach, FL 33408-1605

Pearl Capital
100 William Street
New York, NY 10038-4508

(p)PORTFOLIO RECOVERY ASSOCIATES LLC
PO BOX 41067
NORFOLK VA 23541-1067

Quantum3 Group LLC as agent for
Comenity Bank
PO Box 788
Kirkland, WA 98083-0788

Rama Capital Partners, LLC/Athas
27001 Agoura Road, Suite 200
Calabasas, CA 91301-5357

Rama Capital Partners, LLC/Athas
c/o FCI Lender Services, Inc.
P.O. Box 27370
Anaheim, CA 92809-0112

Rama NPL I, LLC
c/o Law Offices of Damian G Waldman PA
P O Box 5162
Largo, Florida 33778q 33779-5162

Regions Bank
3017 West 7th Street, #410
Fort Worth, TX 76107-2223

Regions Bank
P.O. Box 10063
Birmingham, AL 35202-0063

Regions Bank
c/o Andrew Edson, Esq.
Clark Hill Strasburger
901 Main Street, Suite 6000
Dallas, Texas 75202-3748

Regions Bank
c/o Strasburger - Tate Hemington
901 Main Street, Suite 6000
Dallas, TX 75202-3748

Regions Credit Card
215 Forrest Street
Hattiesburg, MI 39401-3476

Regions Credit Card
P.O. Box 15710
Wilmington, DE 19886-5710

Regions Credit Card
c/o FMA Alliance, Ltd.
P.O. Box 2409
Houston, TX 77252-2409

Star Furniture
PO Box 219169
Houston, TX 77218-9169

State of Louisiana, Dept. of Revenue
P.O. Box 1231
Baton Rouge, LA 70821-1231

State of Louisiana, Dept. of Revenue
P.O. Box 91017
Baton Rouge, LA 70821-9017

State of Louisiana, Dept. of Revenue
P.O. Box 94050
Baton Rouge, LA 70804-9050

TCO
15 Sylvan Way
Parsippany, NJ 07054-3800

TCO
c/o Assigned Credit Solutions, Inc.
P.O. Box 22
Beverly, NJ 08010-0022

Texas Comptroller of Public Accounts
111 E. 17th Street
Austin, Texas 78774-0100

Texas Workforce Commission
101 E. 15th Street, Room 556
Austin, TX 78778-0001

Texas Workforce Commission
P.O. Box 149037
Austin, TX 78714-9037

Texas Workforce Commission (Ofc of AG)
P.O. Box 12548
Austin, Texas 78711-2548

The Gorthey Law Firm
604 West 12th Street
Austin, TX 78701-1718

The Rama Fund LLC
c/o DWaldman Law PA
3418 Highway 6 South, Ste. B#345
Houston, Texas 77082-4205

Twelve Bar Holdings, LLC
208 Belgian Bend
Cedar Park, TX 78613-7749

US Trustee
Office of the US Trustee
515 Rusk Ave
Ste 3516
Houston, TX 77002-2604

c/o Sprouse Law Firm
Attn: Marvin Sprouse
901 Mopac Expressway South
Building 1, Suite 300
Austin, Texas 78746-5776

Alan S. Gerger
THE GERGER LAW FIRM, PLLC
2211 NORFOLK STR.
STE.517
Houston, TX 77098-4051

Alwin Gerald Morgan
604 Logans Lane
Austin, TX 78746-3728

Kimberly H. Morgan
THE GERGER LAW FIRM, PLLC
2211 NORFOLK STR.
STE.517
HOUSTON, TX 77098-4051

Margaret Maxwell McClure
Attorney at Law
25420 Kuykendahl
Suite B300-1043
The Woodlands, TX 77375-3405

The preferred mailing address (p) above has been substituted for the following entity/entities as so specified by said entity/entities in a Notice of Address filed pursuant to 11 U.S.C. 342(f) and Fed.R.Bank.P. 2002 (g) (4).

Atlas Acquisitions LLC
294 Union St.
Hackensack, NJ 07601

(d)Atlas Acquisitions LLC
492C Cedar Lane, Ste 442
Teaneck, NJ 07666

(d)Atlas Acquisitions LLC
492C Cedar Lane, Ste 442
Teaneck, NJ 07666

Chase Bank
P.O. Box 183205
Columbus, OH 43218

(d)Chase Bank
P.O. Box 6294
Carol Stream, IL 60197

(d)Chase Bank
P.O. Box 94014
Palatine, IL 60094

Citi Bank
4740 121st Street
Urbandale, IA 50323

(d)Citi Bank
P.O. Box 6415
The Lakes, NV 88901

Internal Revenue Service
Special Procedures Branch, Insolvency II
1919 Smith Street, Stop 5025HOU
Houston, TX 77002

(d)Internal Revenue Service
c/o U.S. Attorney General
10th & Constitution, N.W.
Washington, DC 20530

(d)JPMorgan Chase Bank, National Association
c/o Chase Records Center
Attn: Correspondence Mail
Mail Code LA4-5555
700 Kansas Lane
Monroe, LA 71203

Portfolio Recovery Associates, LLC
POB 12914
Norfolk VA 23541

The following recipients may be/have been bypassed for notice due to an undeliverable (u) or duplicate (d) address.

(u)A+ Federal Credit Union

(u)Hillcrest Bank, a division of NBH Bank

(u)Regions Bank

(u)Keyla Turro

End of Label Matrix
Mailable recipients 82
Bypassed recipients 4
Total 86